FILED FOR RECORD AT REQUEST OF

ISLAND TITLE COMPANY P. O. BOX 1228 ANACORTES, WA 98221 Order No. SA-15828

AFTER RECORDING MAIL TO:

ISLAND TITLE COMPANY P. O. BOX 1228 ANACORTES, WA 98221

Escrow No. AE-3487J

THIS SPACE PROVIDED FOR RECORDER'S USE:

96 DCT -4 P3:40

ECORDED___FILEUL __ REQUEST OF _____

9610040078

Roal Estate Excise Tax

STATUTORY WARRANTY DEED

THE GRANTOR JACK MAYER and ANITA MAYER, husband and wife

for and in consideration of ONE HUNDRED EIGHTY-FIVE THOUSAND AND 00/100 DOLLARS (\$ 185,000.00) in hand paid, conveys and warrants to MICHAEL L. KELLEY and SHERYL L. KELLEY, husband and wife the following described real estate, situated in the County of Skagit, State of Washington:

LEGAL DESCRIPTION AS SHOWN ON EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF BY THIS REFERENCE.

SUBJECT TO: Restrictions, reservations and easements of record. ALSO THE GRANTORS HEREIN RESERVE FOR THEMSELVES, THEIR HEIRS, SUCCESSORS AND ASSIGNS, AN EASEMENT FOR INGRESS, EGRESS AND UTILITIES OVER, ACROSS, UNDER AND UPON THE EXISTING ROADS AS DELINEATED ON THE FACE OF LOT 2, SHORT PLAT NO. 91-064, RECORDED IN VOLUME 10 OF SHORT PLATS, PAGES 22 AND 23; TOGETHER WITH AN EASEMENT FOR INGRESS, EGRESS AND UTILITIES AS RESERVED UNDER AUDITOR'S FILE NUMBER 9606280203, RECORDS OF SKAGIT COUNTY, WASHINGTON.

THE GRANTOR FURTHER GRANTS THE GRANTEE HEREIN, HIS SUCCESSORS AND/OR ASSIGNS, THE RIGHT TO WITHDRAW WATER FROM AN EXISTING WELL LOCATED UPON THE GRANTOR'S REMAINING PROPERTY, UNTIL SUCH TIME AS THE GRANTEE HEREIN HAS DEVELOPED AN ALTERNATE WATER SOURCE ACCEPTABLE TO ALL REGULATORY AUTHORITIES. AT THAT TIME GRANTEE AGREES TO RELINQUISH THEIR WATER RIGHT.

FOR ADDITIONAL SUBJECT TOS SEE EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF BY THIS REFERENCE.

September 26, 1996

anuta mayer ANITA MAYER

STATE OF WASHINGTON

COUNTY OF Skagit

On this day personally appeared before me JACK MAYER ANITA MAYER to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowleded that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this

) ss.

Notary Public in/and/for the State Washington, residing at Jean A. Crandall

My appointment expires:

day of

BK | 592PG 0046

5610040078

DATED:

JACK MAYER



SA-15828

EXHIBIT "A"

PARCEL A:

A portion of Lot 1 of Short Plat No. 91-064, approved October 21, 1991 and Recorded November 4, 1991 in Volume 10 of Short Plats, pages 22 and 23 under Auditor's File No. 9111040048, being a portion of the Northeast quarter of the Southwest quarter of Section 11, Township 34, Range 1 East of the Willamette Meridian described as follows:

Beginning at the Southwest corner of Lot 2 of said Short Plat No. 91-064; thence North 4°09'09" East along the Westerly line of said Lot 2 a distance of 202.71 feet; thence North 89°11'58" West a distance of 110.52 feet to the Westerly line of Lot 1 of said Short Plat No. 91-064; thence South 3°03'20" West along the Westerly line of said Lot 1 a distance of 202.52 feet to the South line of said Short Plat No. 91-064; thence South 89°11'58" East along the South line of said Short Plat a distance of 106.64 feet to the point of beginning.

PARCEL B:

A portion of Lot 1 of Short Plat No. 91-064, approved October 21, 1991 and Recorded November 4, 1991 in Volume 10 of Short Plats, pages 22 and 23 under Auditor's File No. 9111040048, being a portion of the Northeast quarter of the Southwest quarter of Section 11, Township 34, Range 1 East of the Willamette Meridian described as follows:

Commencing at the Southwest corner of Lot 2 of said Short Plat No. 91-064; thence North 4°09'09" East along the Westerly line of said Lot 2, a distance of 202.71 feet to the true point of beginning; thence South 89°11'58" East along the Northerly line of said Lot 2 a distance of 258:49 feet; thence North 4°09'09" East along the Westerly line of said Lot 2 a distance of 247.29 feet to the Northwesterly corner of said Lot 2; thence North 89°11'58" West a distance of 2.35 feet; thence South 37°37'34" West a distance of 144.87 feet; thence South 55°20'14" West a distance of 225.61 feet to the true point of beginning.

PARCEL C:

Lot 2 of Short Plat No. 91-064, approved October 21, 1991 and Recorded November 4, 1991 in Volume 10 of Short Plats, pages 22 and 23 under Auditor's File No. 9111040048, being a portion of the Northeast quarter of the Southwest quarter of Section 11, Township 34, Range 1 East of the Willamette Meridian.

- END OF EXHIBIT "A" -

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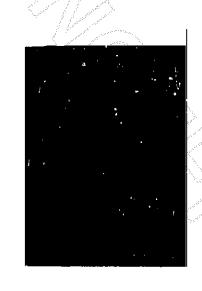


EXHIBIT "B"

ADDENDUM TO STATUTORY WARRANTY DEED

ADDITIONAL SUBJECT TOS:

BUYERS AGREE TO GRANT TO SELLERS A RIGHT OF FIRST REFUSAL, TO RUN WITH THE SUBJECT PROPERTY DESCRIBED IN EXHIBIT "A". THIS RIGHT OF FIRST REFUSAL SHALL APPLY TO THE SALE OF ALL OR A PORTION OF SUBJECT PROPERTY. SUCH RIGHT SHALL NOT APPLY TO GIFTS TO IMMEDIATE FAMILY MEMBERS OF BUYER, BUT TO BONAFIDE OFFERS FROM 3RD PARTY PURCHASERS. THE SELLERS SHALL HAVE 60 DAYS TO MATCH SAID OFFER.

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